



**UPDATE OF THE MID-TERM
EVALUATION OF SPD
OBJECTIVE 2 OF NAVARRA,
2000-2006**

*Summary of conclusions and
recommendations*



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1. SUMMARY OF CONCLUSIONS AND RECOMMENDATIONS

1.1. INTRODUCTION

The aim of the present “Update of the mid-term evaluation of SPD Objective 2 of Navarra 2000-2006” report is to determine the degree of attainment of the targets established at the beginning of the programming period, on 31.12.2004, as well as to detect possible difficulties which are preventing the attainment of these targets, establishing the correcting measures which may be necessary to achieve greater efficacy, if appropriate. Besides, this evaluation must contribute to lay the foundations for interventions with a view to the future programming period 2007-2013.

The preparation of this report has been based on the methodological guidelines presented by the European Commission in “Working Document No 9. Update of the mid-term evaluation of structural interventions”, as well as on the directions established in the “Common framework for updating the mid-term evaluation of SPD Objective 2 2000-2006” drawn up by the Subdirector General of Territorial Programming and Community Programme Evaluation of the Directorate General of Community Funds of the Ministry of Economy and Finance.

1.2. SUMMARY OF CONCLUSIONS AND RECOMMENDATIONS

1.2.1. CONCLUSIONS

The main conclusions drawn from the “Update of the mid-term evaluation of SPD Objective 2 of Navarra 2000-2006” are shown in the following chart:

Evaluated aspects	Conclusions
Implementation of the recommendations made in the mid-term evaluation	On the whole, the recommendations made have been incorporated into the SPD. The main effects they have had on the management of the SPD have been the following:
	<ul style="list-style-type: none">• Improving intervention management procedures.• Favouring the transmission of information amongst the various bodies which participate in the SPD.• Contributing to compliance with community regulations.• Improving the financial absorption of the SPD.
	The degree of knowledge of the evaluating team’s recommendations by the bodies which coordinate the intervention is high.
	Nearly all the recommendations have been considered to be relevant.

Evaluated aspects	Conclusions
Implementation of the recommendations made in the mid-term evaluation	<p>The implementation of some of the recommendations made has not been considered to be advisable. The main reasons which explain this non-implementation have been the following:</p> <ul style="list-style-type: none"> • Availability of substitute tools, procedures and utilities (e.g., homogeneous interpretation rules for indicators and differentiation criteria amongst assistance areas). • Administrative simplification (e.g., monitoring and horizontal priority indicators). • Impossibility of being implemented until the next programming period (e.g., quantification of target values 2000-2002 and unit costs).
Financial efficacy	<p>The degree of global financial efficacy of the SPD is very satisfactory. To be precise, 94.7% of what was expected for the period 2000-2004 and 67.9% of what was programmed for the whole period 2000-2006 had been implemented by 31.12.2004.</p> <p>There are some implementing bodies with some delay in the financial performance. They are the following:</p> <ul style="list-style-type: none"> • The Department of Industry and Technology, Trade, Tourism and Labour of the Government of Navarre in measure 1.2 has not certified expenses since June 2003 due to some problems of expenditure eligibility. • The City Council of Pamplona in measures 5.5 Tourist and cultural infrastructures (transitional assistance) shows a low degree of financial performance regarding the period 2000-2004 (9%). However, no problems are expected so as to certify the programmed investment. • The Spanish National Research Council has only executed 24.1% of its programmed investment. • The ICEX, whose level of financial performance was 50.1% for the period 2000-2004, has stated the impossibility of reaching the expected figures and the need to transfer part of the funds to other bodies. <p>The allocation of the efficacy reserve must be valued positively, since the measures to which additional funds were granted show, in general terms, an adequate level of financial performance.</p>
Physical efficacy	<p>The analysis of the performance figures of the monitoring indicators shows an adequate advance of most measures in connection with the expected target values.</p> <p>There are some measures which show a degree of physical efficacy lower than what was expected. However, with the exception of measure 5.5. Tourist and cultural infrastructures, the degree of advance of the indicators does not show the actual progress of the measures. The reasons which explain the low efficacy are, basically, the use of result and impact indicators (rather than performance) and the failure to introduce indicator performance data by some of the managers.</p> <p>The estimate of the performance which could be achieved at the end of the programming period as for the monitoring indicators shows satisfactory results.</p>
Efficiency	<p>On the whole, efficiency understood as the comparison of real costs and expected costs for achieving the expected results has been satisfactory.</p>

Evaluated aspects	Conclusions
Evolution of the socioeconomic context	<p>Navarre has undergone a positive evolution in a large part of the economic and demographic indicators analysed. The improvement in the general situation of the territory of Navarre can be seen in the following aspects:</p> <ul style="list-style-type: none"> • GDP growth rate above the Spanish and community average. • Activity rate above the Spanish average and close to the European average. • Reduced unemployment rate. • Important growth in the GDP percentage allocated to R&D&I. • Growth of the expenditure on environmental protection above the Spanish average. • Important rate of company creation, above the Spanish average.
	<p>The analysis of the socioeconomic context of Navarre has made it possible to identify the following improvement lines:</p> <ul style="list-style-type: none"> • Lower productivity of the economy compared to the EU. • Rate of incorporation of women into the labour market lower than in the EU. • GDP percentage allocated to R&D&I lower than the European average. • Rate of access to the Internet of the population of Navarre lower than the community average.
Impact	<p>According to the results achieved in the analysis of the impact of the intervention, it can be said that the SPD has made a remarkable contribution to the growth and dynamization of the regional economy by performing actions aimed at modernising and diversifying the productive activity, and to improving competitiveness through R&D&I and the new technologies. This has resulted in considerable economic growth of the economy of Navarre, the generation of an important number of jobs and the maintenance of the unemployment rate in friction unemployment levels. Also, the implementation of the SPD has made it possible to improve the social welfare of the population through actions aimed at protecting the environment and improving the communications network.</p> <p>However, the promotion of equal opportunities between women and men is the area on which the SPD contribution has been less significant. In this regard, the favourable evolution shown by the situation of women in Navarre in recent years seems to be a consequence of the natural evolution of the socioeconomic context rather than of the direct influence of the SPD.</p>
Socioeconomic cohesion and convergence of Navarre	<p>The following results can be drawn from the analysis of the situation of Navarre compared to EU 25 in connection with the main macroeconomic indicators:</p> <ul style="list-style-type: none"> • The GDP per capita and the Gross Formation of Capital per capita in Navarre have increased by a rate above that obtained for EU 25. Also, on the basis of these indicators, Navarre is in situation comparatively above that in EU 25. • The growth rate of the GDP allocated to R&D&I in Navarre is higher than the average in EU 25, although the percentage of the GDP corresponding to R&D&I is still lower than in EU 25. • The productivity per employee of the economy of Navarre is lower than the community average. Besides, the growth rate of productivity per employee in Navarre has been lower than that existing for EU 25.

Evaluated aspects	Conclusions
Socioeconomic cohesion and convergence of Navarra	<p>The same comparative analysis in the area of the labour market shows the following results:</p> <ul style="list-style-type: none"> • The total, male, female and youth (under 25) employment rates of Navarra are higher than those existing in EU 25. Also, the evolution has been positive as for the total, female and youth (under 25) employment rates. • Both the total activity rate of Navarra and that at the level of sexes are lower than those existing for EU 25. However, the growth in the total and female activity rates in Navarra has been higher than that obtained at the community level.
Attainment of the objectives of the <i>Lisbon and Gothenburg Strategy</i>	<p>Navarre is, in general terms, in an advantageous situation with regard to Spain and EU 25 as for the attainment of the objectives of the <i>Lisbon and Gothenburg Strategy</i>.</p> <p>However, there are some objectives in which Navarra may find it difficult to reach the expected figures. The main ones are the following:</p> <ul style="list-style-type: none"> • Female and over 55 employment rates. • Expenditure on R&D&I. • Training level of the population. • Reduction in the emission of greenhouse effect gases
The environment	<p>The integration of the environmental priority in the management of the SPD is satisfactory. The SPD has had a positive effect in the region in environmental terms, as a consequence of a correct integration of the environmental priority in the different actions of the SPD. In this regard, the most remarkable results achieved have been the following:</p> <ul style="list-style-type: none"> • Most of the recommendations made during the mid-term evaluation which affected the environmental priority have been duly implemented. • There have been some modifications in the SPD programming which have had a positive effect on the environmental priority. • The analysis of context and monitoring indicators of an environmental nature shows that the region has undergone a significant advance in terms of environmental protection. • The improvements which are directly linked to the implementation of the SPD involve, basically, the improvement of the water treatment and purification network, the contribution to the use of renewable energies, and the rehabilitation and conditioning of deteriorated river environments • In general, the existing indicators of an environmental character are adequate to perform the monitoring of SPD advances.
Equal opportunities	<p>The integration of the principle of equal opportunities in the SPD is not very significant, although it should be mentioned that the type of measures which can be financed by SPD Objective 2 makes it difficult to introduce actions aimed at reducing the existing inequalities between women and men.</p> <p>The analysis of the situation of women in the economic and social context of Navarra has identified significant advances as for the participation in the economic, social and political life. However, there are some factors on which it is necessary to keep working. Some of the improvement lines identified are the following:</p> <ul style="list-style-type: none"> • Favouring the incorporation of women into the labour market, through the generation of quality employment or through the creation of proximity services. • Fighting female unemployment. • Achieving greater equality in terms of salary.

As a general conclusion, the results achieved by the SPD must be considered to be satisfactory, since they stand in line with the expected targets. In this regard, the actions performed are contributing in a satisfactory way to the convergence of the economy of Navarre with the rest of the community countries and to achieving the objectives established in the Lisbon and Gothenburg strategy. However, the evaluation has made it possible to identify some needs on which the strategic lines for the future programming period should be based. Also, the evaluation has made it possible to verify the significant impact the SPD has had on the socioeconomic development of the region.

1.2.2. OPERATIONAL RECOMMENDATIONS

Below are the main recommendations made by the evaluating team. These recommendations are directed at improving the management, operation and results of the intervention in the next years and, specially, in the future programming period 2007-2013.

Intervention areas	Recommendations
Improvement of the financial absorption capacity	The certification of expenditure on the actions included in measure 1.2 <i>Provision, recovery and adaptation of productive sites and services to companies</i> has stopped as of 1 July 2003 due to problems in the definition of eligible expenditure. The implementing body which intervenes in these measures has stated the difficulty in reaching the expected programming figure. Therefore, the financing programmed for measure 1.2 should be reduced and these resources should be transferred to other measures which show a higher degree of financial efficacy in accordance with the strategic priorities of the region.
	In spite of the high financial efficacy achieved by measure 4.1 <i>Roads and highways</i> both in the permanent assistance area and in the transitional assistance area, there are still 532,638.28€ left of co-financiable investment allocated to the area which have not been executed in spite of the actions having been completed. Thus, some new projects should be included in the transitional assistance area in order to execute all the transitional assistance.
	Due to the delay undergone by the execution of the project corresponding to the construction of the Sanfermines Theme Centre in measure 5.5 <i>Tourist and cultural Infrastructures</i> within the transitional assistance area, the City Council of Pamplona should determine a number of reserve projects which may assume the budget programmed in case some incidents hinder the normal development of the action
	The ICEX has executed 50.1% of the expenditure estimated for the period 2000-2004 in measure 1.5 <i>Support to internationalisation and external promotion</i> . In this regard, the ICEX stated in the last Monitoring Committee the impossibility of reaching the expected figures and the need to transfer part of the funds to other bodies.

Intervention areas	Recommendations
Monitoring and evaluation	<p>The Research Directorate General did not perform part of the indicators corresponding to Axis 3. <i>Society of knowledge</i> during the years 2003 and 2004 due to the heterogeneous nature of the information provided by the technology centres. Therefore, it is advisable to establish some guidelines which include some common interpretation and performance criteria for the monitoring indicators used by this implementing body, as well as to communicate these criteria to the corresponding organisations.</p>
	<p>The Department of Industry and Technology, Trade, Tourism and Labour has not incorporated monitoring indicators regarding measure 1.2. <i>Provision, recovery and adaptation of productive sites and services to companies</i> due to expenditure certifications having stopped as of 1 July 2003 as a consequence of problems in the definition of eligible expenditure. In this regard, it is necessary to keep an appropriate monitoring of the monitoring indicators for the actions included in this measure in order to incorporate them into the application Funds 2000 once the expense eligibility problems have been solved.</p>
	<p>In order to carry out an appropriate monitoring of the intervention, the programmed value for certain indicators which are overimplemented should be revised.</p>
	<p>To achieve greater effectiveness of the physical efficacy analysis in the future programming period, it would be advisable to include target values in the monitoring indicators for the middle of the programming period.</p>
	<p>Due to the problems undergone in the evaluations made in this programming period as for the lack of enough information to assess the efficiency of the intervention, it would be advisable to establish performance unit costs linked to the monitoring indicators so as to make the efficiency analysis easier in the future programming period 2007-2013.</p>
	<p>In view of the difficulties found when analysing the contribution of the SPD in the environmental protection area due to the lack of appropriate context indicators, some kind of periodical report (may be yearly) should be prepared including the main data about the environmental situation in the region through some indicators comparable to the SPD monitoring indicators and those of the Lisbon and Gothenburg Strategy.</p>
	<p>A shortage of gender indicators has been noticed in some of the intervention actions. Since the SPD has not shown a significant influence in the equal opportunities area, this aspect should undergo special monitoring in the future programming period. Specifically new monitoring indicators should be included in the new programming period which can offer a reliable view of the intervention advances in the equal opportunities area.</p>
Integration of the environmental principle	<p>In spite of the fact that environmental protection has been adequately integrated into the programming, it is advisable to keep working hard on this area to achieve a sustainable growth model of the economy of Navarra and to fulfil the objectives set by the <i>Lisbon and Gothenburg Strategy</i>. In this regard, special attention should be paid to compliance with Directive 2001/42/CE; the Strategic Environmental Evaluation of public plans and programmes which will be a mechanism to adequately integrate the environmental priority in future interventions. The recent regional act 4/2005 dated 22 March, of intervention for environmental protection, transposes that Directive.</p>

Intervention areas	Recommendations
Integration of equal opportunities between women and men	<p>Due to the not very significant results achieved by the SPD in the integration of the principle of equal opportunities between men and women, the following recommendations are made with a view to improving the integration of this horizontal priority in the different stages of the intervention corresponding to the period 2007-2013:</p> <ul style="list-style-type: none">• Implementation of the I Women and Men Equality Plan in Navarre.• Promoting the participation of the Women's Institute of Navarre in planning the future Operational Programme.• Carrying out a prior analysis of the impact of the projects which takes the gender perspective into account.• Preparing a "Performance report on equal opportunities and equality indicators".

1.2.3. BASIS FOR THE FUTURE PROGRAMMING PERIOD

One of the objectives of the present evaluation study is drawing conclusions on the main priorities and strategic lines for the programming corresponding to the period 2007-2013. The starting point for the analysis is the "Proposal for a Regulation of the Council by which the general provisions regarding the European Regional Development Fund, the European Social Fund and the Cohesion Fund are established"¹ and the "Proposal for a Regulation of the European Parliament and the Council regarding the European Regional Development Fund"², establishing the guidelines on ERDF objectives and priorities. These proposals are in keeping with the Lisbon and Gothenburg strategies. Logically, the priorities of the region must be in keeping with the cohesion policy established for the period 2007-2013.

The analysis of the various information sources and the information obtained by means of the methodological tools of the evaluation process has made it possible to identify the main priorities of the Regional Community aimed at favouring the socioeconomic development of the territory and at favouring the process of convergence with the rest of the European regions. On the basis of the analysis carried out the following priorities have been detected:

- Contributing to extending the information society to the whole of the population of Navarre
- Two main priorities have been identified on transport matters: on the one hand, improving the links and accesses by road to the high capacity networks which run over the territory of Navarre and, on the other hand, constructing the High Speed Rail route.
- Promoting R&D&I in a sustainable way.
- Keeping working in the protection of the environment and the preservation of the natural heritage of Navarre.
- Favouring the regeneration of some urban areas of the Regional Community.

¹ COM(20004) 492 final dated 14 July 2004.

² COM(20004) 495 final dated 14 July 2004.

- Improving business competitiveness and diversifying the productive framework of the economy of Navarre with a technological basis.
- Keeping supporting the internationalisation process of the companies of Navarre.
- Favouring equal opportunities in the labour market.
- Consolidating the tourist sector on the basis of the exploitation of the endogenous resources of Navarre.

As a general conclusion, **the priorities of the Regional Community for the next programming period are in keeping with the strategic lines defined by the European Commission in the cohesion policy for the period 2007-2013.** In this regard, there are enough projects corresponding to the public authorities with competences in the Regional Community to arrange a tool aimed at implementing the cohesion strategy established by the European Commission.

The following chart shows the degree of interrelation existing between the priority action plans defined in the Proposal for a Regulation and the priorities detected in the territory of Navarre. It can be noticed that most of the priorities detected in the Regional Community are within the priority action themes of the Proposal for a Regulation. However, some of the regional priorities would not fit within the priority action themes provided for in the ERDF Proposal for a Regulation.

RELATION BETWEEN THE PRIORITY AREAS AND THEMES ESTABLISHED IN THE ERDF PROPOSAL FOR A REGULATION AND THE NEEDS IDENTIFIED IN THE SOCIOECONOMIC CONTEXT OF NAVARRE

Priority Areas Priority themes Needs	Innovation and knowledge economy				Environment and risk prevention				Access to transport and telecommunication services	
	Enhancing regional R&D and innovation capacities	Stimulating innovation in SMEs	Promoting entrepreneurship and fostering the creation of new companies	Creating new financial instruments and incubation facilities conducive to intensive knowledge	Stimulating investment for the rehabilitation of contaminated sites and land and promoting the development of infrastructure linked to biodiversity and Natura 2000	Stimulating energy efficiency and renewable energy production	Developing plans and measures to prevent and cope with natural or technological risks	Promoting clean urban transport systems	Strengthening secondary networks	Promoting access to and efficient use of ICTs by SMEs
Extending the information society to the whole of the population										
Better road links to high capacity networks										
R&D stimulation and sustainability										
Improving infrastructures related to Natura 2000										
Recovery of contaminated industrial land										
Natural risk prevention actions										
Regeneration of urban areas										
Improving business competitiveness and diversifying the productive framework with a technological basis										
Support to the internationalisation process										
Consolidation of the tourist sector										